

Sales Tax Information Bulletin #66

May 1994

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Subject: Exemption from the Sales Tax for Purchases of Consumable Items by People Engaged in the Business of Renting or Furnishing Rooms, Lodgings or Accommodations.

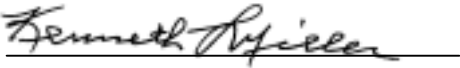
Reference: IC 6-2.5-5-35

I. General Information:

IC 6-2.5-5-35 provides an exemption from the gross retail tax if the person acquiring the property is engaged in the business of renting or furnishing rooms, lodgings, or accommodations in a commercial hotel, motel, inn, tourist camp, or tourist cabin, and the property acquired is used up, removed, or otherwise consumed during the occupation of the rooms by a guest, or the property is rendered not reusable after the property's first use by a guest during the occupation of the rooms, lodgings, or accommodations.

II. Items Considered Exempt:

Items that would be included would be complimentary toiletry items such as soap, shampoo, tissue paper, plastic cups and any other items not reusable. The purchase of beds, linens, television sets and other furniture would not be exempt when they are purchased by the person engaged in the business of renting or furnishing lodgings or accommodations.



Kenneth L. Miller
Commissioner